

INSTRUCTIONS FOR PREPARING THE DE 88/DE 88ALL PAYROLL TAX DEPOSIT COUPON

The Employment Development Department (EDD) has a toll-free number, 1-888-745-3886, for customers in the U.S. and Canada to call for general State payroll tax and filing requirement information. Call Center agents are available to answer questions Monday through Friday from 7:00 a.m. to 6:00 p.m., Pacific time. The Call Center is closed weekends and State holidays. When you call, an automated interactive voice response system will provide a menu of services. Some of the automated services that are available 24 hours a day, 7 days a week, are:

- Ordering tax forms, instructions, and publications.
- Using our Fax-on-Demand and E-Z Access Information Topics. You can also call this system directly at our toll-free number, 1-877-547-4503, from your fax machine and either have a wide variety of tax forms and publications sent to you by fax or listen to recorded messages covering more than 50 payroll tax topics. The Fax-on-Demand system is not designed to receive faxes, so please do not attempt to fax anything to the number.

If you are calling from outside the U.S. or Canada, you can call us at 1-916-464-3502. Speech and hearing impaired customers may contact us on our TTY line toll-free at 1-800-547-9565.

Many of EDD's tax forms, publications, and information sheets are also available by accessing www.edd.ca.gov/taxform.htm on the Internet.

For your TAX RATE INFORMATION, please refer to either your *Notice of Contribution Rates and Statement of UI Reserve Account* (DE2088) mailed to you under separate cover or call EDD's 24-hour automated call system at (916) 653-7795 for tax rate information.

The following pages provide information and instructions to assist you in completing a *Payroll Tax Deposit*, DE 88/DE 88ALL coupon;

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GENERAL INFORMATION

PAYROLL TAX DEFINITIONS

California PIT Withholdings	Employers may be required to withhold California PIT from their individual employee wages.
State Disability Insurance (SDI)	Subject employers must withhold SDI from individual employee wages to the taxable wage limit of \$56,916.
Unemployment Insurance (UI)	Subject employers are responsible for paying UI on individual employee wages to the taxable wage limit of \$7,000.
Employment Training Tax (ETT)	Employers with a positive reserve account balance are required to pay ETT on individual employee wages to the taxable wage limit of \$7,000.
California PIT Deposit Threshold	The California PIT deposit threshold is used in conjunction with your Federal Deposit Schedule to determine when your deposit is due based on the amount of accumulated California PIT that you have withheld. The 2003 PIT deposit threshold is \$500 for Next Banking Day, Semi-Weekly, and Monthly depositors.

PAYROLL TAXES

- An employer's UI contribution rate is based on their reserve account balance and may fluctuate annually.
- Employers with a positive reserve account balance pay ETT.
- The SDI rate is the same for all employers and may fluctuate annually.
- PIT withholding schedules are located in the 2003 *California Employer's Guide* (DE 44) mailed under separate cover. If you do not have this guide, contact Account Services Group at (916) 654-7041.
- Payment of UI and ETT is not due until the end of the quarter.
 - If you prepay your UI and ETT along with your Next Banking Day, Semi-Weekly, or Monthly deposits of SDI and California PIT, no UI and ETT deposit is required at the end of the quarter.
 - If you do not prepay your UI and ETT taxes with your Next Banking Day, Semi-Weekly, or Monthly deposits of SDI and California PIT, you will be required to make a UI and ETT deposit at the end of the quarter.
- Penalty and interest will be charged for late deposits/payments. Refer to PAYMENT DUE DATES on page 4.

COMPUTING PAYROLL TAXES

- Instructions for calculating taxable wages and payment amounts can be found on pages 6 through 11.
- Use the worksheets found on pages 12 and 13 for computing the amount of your payroll tax payments.
- Record your payroll tax deposits/payments on the Employer Record of California Tax/Withholdings Deposits found on page 14.

OTHER

- If you have a change of mailing address, change in ownership, or have quit doing business, complete the CHANGE OF ADDRESS or BUSINESS/FINAL REPORT FORM on page 15 and mail it to the address shown on the form. ADDRESS CHANGES MADE ON THE DE 88ALL CANNOT BE PROCESSED.
- If you require a receipt other than your cancelled check, prepare a letter requesting a receipt and include it, along with a self-addressed stamped envelope, with your deposit/payment.

TO AUTOMATE YOUR PAYROLL TAX PAYMENTS AND ELIMINATE PREPARATION OF A DE 88/DE 88ALL COUPON, USE ELECTRONIC FUNDS TRANSFER (EFT). CONTACT OUR EFT UNIT AT (916) 654-9130 OR FAX (916) 654-7441 FOR MORE INFORMATION. You may also refer to the 2003 *California Employer's Guide* (DE 44) for information about EFT.

TAX PAYMENTS AND DEPOSIT REQUIREMENTS

TAX PAYMENTS

All tax payments must be submitted with a properly completed *Payroll Tax Deposit* (DE 88/DE 88ALL) coupon, unless payments are made by electronic funds transfer. Although employer contributions of UI and ETT are due quarterly, withholdings from employees' wages for SDI and California PIT may need to be deposited more often. State deposit due dates are generally the same as federal deposit due dates. The postmark date is used to determine the timeliness of tax payments and penalty and interest are charged on tax payments received late.

Mail *Payroll Tax Deposit* DE 88/DE 88ALL to:

Employment Development Department
P.O. Box 826276
Sacramento, CA 94230-6276

Please indicate your employer account number on your check or money order.

DEPOSIT REQUIREMENTS

PAYMENT TYPE	REQUIREMENT DEFINITION
Next Banking Day	You will be required to make Next Banking Day SDI and PIT deposits if you are required to make federal Next Banking Day deposits AND you accumulate more than \$500* in California PIT during one or more payroll periods. The Next Banking Day deposit schedule requires deposits to be made by the next banking day. Banking days do not include Saturdays, Sundays, and legal holidays.
Semi-Weekly	<p>You will be required to make Semi-Weekly SDI and PIT deposits if you are required to make federal Semi-Weekly deposits AND you accumulate more than \$500* in California PIT during one or more payroll periods. The Semi-Weekly deposit schedule requires deposits for paydays on Wednesday, Thursday, and Friday to be made by the following Wednesday. For paydays on Saturday, Sunday, Monday, or Tuesday, deposits must be made by the following Friday.</p> <p>Semi-Weekly depositors always have three business days after the end of the Semi-Weekly period to make a deposit. If any of the three business days after the end of the Semi-Weekly period is a legal holiday, you will have an additional business day to make your deposit.</p>
Monthly	<p>You will be required to make Monthly SDI and PIT deposits if:</p> <p>(1) You are required to make federal Monthly deposits AND you accumulate more than \$500* in California PIT during one or more months of a quarter, OR</p> <p>(2) You are only required to make federal Quarterly deposits BUT you accumulate \$350 or more in California PIT during one or more months of a quarter.</p> <p>Monthly deposits are due by the 15th day of the following month.</p>
Quarterly	<p>Quarterly tax payments are due and delinquent on the same dates as the <i>Quarterly Wage and Withholding Report</i> (DE 6). (See Monthly deposit schedule if you are a Quarterly depositor but accumulate \$350 or more in California PIT during one or more months of the quarter.)</p> <p>Employer contributions for UI and ETT are due quarterly. However, they made be submitted more often with any required SDI and PIT deposits.</p>

* California PIT deposit threshold may be adjusted annually.

REMEMBER: Once you make a Next Banking Day deposit, you automatically become a Semi-Weekly depositor for the remainder of that calendar year and all of the following calendar year.

DEPOSIT SCHEDULE AND PAYMENT DUE DATES

Payroll tax payments should be remitted with a properly completed DE 88/DE 88ALL coupon. **IF THE DE 88/DE 88ALL IS IMPROPERLY COMPLETED, YOUR PAYMENT MAY BE POSTED TO THE INCORRECT QUARTER AND/OR YEAR AND INTEREST AND PENALTY MAY BE CHARGED.**

California PIT and SDI due dates are generally the same as federal deposit due dates:

If a Federal Payroll Tax Deposit is Required	AND You Have Accumulated California PIT Withholdings of	PIT & SDI Deposit Required?	If Pay Day Is	Last Timely Postmark Date*
Next Banking Day**	\$500 or less	No	Not applicable	Not applicable
	More than \$500	Yes	Not applicable	Next Banking Day
Semi-Weekly**	\$500 or less	No	Not applicable	Not applicable
	More than \$500	Yes	Wed., Thurs., Fri.	Following Wednesday
			Sat., Sun., Mon., Tues.	Following Friday
Monthly**	\$500 or less	No	Not applicable	Not applicable
	More than \$500	Yes	Not applicable	15th of the following month
Quarterly***	Less than \$350	Yes	Not applicable	April 30, 2003 July 31, 2003 October 31, 2003 February 2, 2004
	\$350 or more	Yes	Not applicable	15th of the following month

* If the last timely postmark date falls on a Saturday, Sunday, or legal holiday, the due date is extended to the next business day.

** If you DO NOT prepay your UI and ETT contributions along with your Next Banking Day, Semi-Weekly, or Monthly deposits of California PIT and SDI, you are required to make a UI and ETT deposit at the end of the quarter.

*** This is not a federal deposit requirement. If you do not meet one of the Federal Deposit Schedules, you are required to make California payroll tax deposits quarterly. Information about Federal Deposit Schedules is located in the Internal Revenue Service's *Employer Tax Guide* (Publication 15, Circular E). This guide can be found at www.irs.gov on the Internet.

REMEMBER: Once you make a Next Banking Day deposit, you automatically become a Semi-Weekly depositor for the remainder of the calendar year and all of the following calendar year.

Quarter ending filing due dates and delinquency dates for 2003 payroll tax deposits:

Quarter Ended	Due Date	Last Timely Postmark Date
March 31, 2003	April 1, 2003	April 30, 2003
June 30, 2003	July 1, 2003	July 31, 2003
September 30, 2003	October 1, 2003	October 31, 2003
December 31, 2003	January 1, 2004	February 2, 2004

PAYROLL TAX PAYMENTS ARE DUE AND MUST BE REPORTED IN THE QUARTER THEY WERE PAID, NOT IN THE QUARTER THEY WERE EARNED.

COMMON ERRORS TO AVOID WHEN COMPLETING A DE 88/DE 88ALL COUPON:

DO:

- Use one of the following Payroll Tax Deposit coupons:
 - preprinted red DE 88 Rev. 15 (1-03) coupon,
 - blank red DE 88ALL Rev. 14 (2-00) coupon, or
 - blank DE 88ALL Rev. 15 (1-03) (**Internet**) coupon
- Use **black ink** only when completing coupon.
- Enter positive payment amounts only AND check to make sure amounts are entered in the correct fill-in boxes (i.e., UI in the UI box, ETT in the ETT box, SDI in the SDI box, etc.).

REMEMBER:

- Don't use a facsimile (photocopy) of the DE 88/DE 88ALL coupon.
- Don't alter any information appearing on the **pre-printed** DE 88 coupon. Doing so may cause your payment to be posted to the wrong account and interest and penalty may be charged.
- Don't enter zeroes (00.00) in the fill-in box(es) if nothing is due. Simply stated, if any of the payment amounts are zero, leave the fill-in box(es) blank.

COMPLETING COUPONS:

DE 88 Rev.15 (1-03) and DE 88ALL Rev. 14 (2-00)	Typewriter, Printer, or Hand Written	<ul style="list-style-type: none"> • Either print the information in CAPITAL LETTERS, or type the information in UPPER CASE using 10 point (ten characters per inch) with each number in a separate fill-in box. • Avoid using italics, script, or variable print typewriters. • Don't use any dollar signs or commas (examples: 2189.50, 472.30).
DE 88ALL Rev. 15 (1-03) (Internet):	Typewriter or Printer	<ul style="list-style-type: none"> • Use 10 point when typing or use Courier font size 12 when using computer equipment. Don't use italics, script, or variable print typewriters. • Type in UPPER CASE with each number in a separate fill-in box. • Don't use any dollar signs or commas (examples: 2189.50, 472.30).
	Hand Written	<ul style="list-style-type: none"> • Print the information in CAPITAL LETTERS with each number in a separate fill-in box. • Don't use any dollar signs or commas (examples: 2189.50, 472.30).

PROPERLY COMPLETED PAYMENT TYPE BOXES:

<input checked="" type="checkbox"/>	OR	<input type="checkbox"/>
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PROPERLY COMPLETED PAYMENT AMOUNT BOXES:

			2	1	8	9	5	0
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INSTRUCTIONS FOR COMPLETING DE 88/DE 88ALL COUPONS

The following instructions are for completing items 1, 2, 3, and 4 on the DE 88/DE 88ALL coupon. The PAYROLL DATE, PAYMENT TYPE, and PAYMENT QUARTER **must** be completed in order to process your payment correctly. **FAILURE TO COMPLETE THESE ITEMS MAY RESULT IN YOUR PAYMENT BEING POSTED TO THE INCORRECT QUARTER AND/OR YEAR AND INTEREST AND PENALTY MAY BE CHARGED.**

ITEM	INSTRUCTIONS		
1. PAYROLL DATE*	If your Payment Type is:		
	NEXT BANKING DAY OR SEMI-WEEKLY	MONTHLY	QUARTERLY
	Enter the date employees were paid wages and more than \$500 in California PIT withholdings was accumulated.	Enter the last day of the month employees were paid wages and more than \$500 in California PIT was accumulated.	Enter the last day of the quarter (see page 4).
2. PAYMENT TYPE	Check the appropriate box. If you do not meet one of the Federal Deposit Schedules (see page 4), you are required to make California payroll tax deposits quarterly. Also see page 3 for Payment Type definitions.		
3. PAYMENT QUARTER*	Enter the year (YY) and quarter (Q) in which the wages were paid to employees: <ul style="list-style-type: none"> • If your payroll was in January, February, or March 2003, use 031. • If your payroll was in April, May, or June 2003, use 032. • If your payroll was in July, August, or September 2003, use 033. • If your payroll was in October, November, or December 2003, use 034. 		

table continued

INSTRUCTIONS FOR COMPLETING DE 88/DE 88ALL COUPONS cont.

ITEM	INSTRUCTIONS
4. PAYMENT AMOUNTS	If any of the following amounts are zero, do not enter an amount. Leave the fill-in boxes blank. Do not enter negative or credit amounts.
A) UI*	Enter the amount of UI contributions due (UI taxable wages times your UI rate).
B) ETT*	Enter the amount of ETT contributions due (UI taxable wages times the ETT rate).
C) SDI*	Enter the amount of SDI due from your employees' wages (SDI taxable wages times the SDI rate).
D) CALIFORNIA PIT*	Enter the amount of California PIT withheld from your employees' wages.
E) PENALTY*	Enter the amount of penalty due for late payment of payroll taxes due. See pages 9 and 10 for the penalty calculation.
F) INTEREST*	Enter the amount of interest due for late payment of payroll taxes due. See pages 10 and 11 for interest calculations.
G) TOTAL DUE*	Enter the total of Item 4 A) through 4 F).

* Record your payroll tax deposits/payments on the Employer Record of California Tax/Withholdings Deposits found on page 14.

TAXABLE WAGES

Taxable wages are the wages paid to employees that are subject to payroll taxes based on the following annual limits:

TAX**TAXABLE WAGE LIMIT**

Unemployment Insurance (UI)
Employment Training Tax (ETT)
State Disability Insurance (SDI)

First \$ 7,000.00 in wages per employee per year
First \$ 7,000.00 in wages per employee per year
First \$56,916.00 in wages per employee per year

HOW TO CALCULATE TAXABLE WAGES

EXAMPLE: An employer has two employees. In the first quarter, Employee #1 is paid \$8,000.00 and Employee #2 is paid \$5,000.00.

<u>First Quarter Taxable Wages</u>	<u>UI and/or ETT</u>	<u>SDI</u>
Employee #1	\$ 7,000.00	\$ 8,000.00
Employee #2	\$ 5,000.00	\$ 5,000.00
TOTAL TAXABLE WAGES	\$12,000.00	\$13,000.00

In the second quarter, Employee #1 is paid \$18,000.00 and Employee #2 is paid \$6,000.00.

<u>Second Quarter Taxable Wages</u>	<u>UI and/or ETT</u>	<u>SDI</u>
Employee #1	\$ 0.00	\$18,000.00
Employee #2	\$ 2,000.00	\$ 6,000.00
TOTAL TAXABLE WAGES	\$ 2,000.00	\$24,000.00

In the third quarter, Employee #1 is paid \$16,000.00 and Employee #2 is paid \$4,000.00.

<u>Third Quarter Taxable Wages</u>	<u>UI and/or ETT</u>	<u>SDI</u>
Employee #1	\$ 0.00	\$16,000.00
Employee #2	\$ 0.00	\$ 4,000.00
TOTAL TAXABLE WAGES	\$ 0.00	\$20,000.00

In the fourth quarter, Employee #1 is paid \$16,000.00 and Employee #2 is paid \$7,000.00.

<u>Fourth Quarter Taxable Wages</u>	<u>UI and/or ETT</u>	<u>SDI</u>
Employee #1	\$ 0.00	\$14,916.00
Employee #2	\$ 0.00	\$ 7,000.00
TOTAL TAXABLE WAGES	\$ 0.00	\$21,916.00

HOW TO CALCULATE PAYMENT AMOUNTS - UI PAYMENT AMOUNTS

All UI Contributions due for a quarter must be paid before the filing delinquency date of each quarter. However, UI taxes may be voluntarily prepaid during the quarter with any deposits of SDI and PIT.

HOW TO CALCULATE A UI PREPAYMENT:

- Total UI taxable wages for the pay period are \$5,000.00.
- The UI rate for this example is 3.4% (.034). When completing the DE 88ALL, please use your UI rate or call EDD's 24-Hour automated call system at (916) 653-7795 for rate information.

<u>Calculation:</u>	UI Taxable Wages	\$5,000.00	
	x UI Rate	x .034	
	UI PREPAYMENT DUE	\$ 170.00	(ENTER IN BOX 4A ON SAMPLE COUPON #1)

HOW TO CALCULATE A UI QUARTERLY PAYMENT:

IF UI PREPAYMENTS HAVE BEEN MADE

- Example:
- The total UI taxable wages for the quarter are \$12,000.00.
 - The UI prepayments made during the quarter were \$170.00.
 - The UI rate for this example is 3.4% (.034).

<u>Calculation:</u>	Total Quarterly UI Taxable Wages	\$12,000.00	
	x UI Rate	x .034	
	Total Quarterly UI Contributions Due	\$ 408.00	
	- UI Prepayment	- 170.00	
	UI QUARTERLY PAYMENT DUE	\$ 238.00	(ENTER IN BOX 4A ON SAMPLE COUPON #2)

HOW TO CALCULATE A UI QUARTERLY PAYMENT:

IF UI PREPAYMENTS HAVE NOT BEEN MADE:

- Example:
- The total UI taxable wages for the quarter are \$12,000.00.
 - The UI rate for this example is 3.4% (.034).

<u>Calculation:</u>	Total Quarterly UI Taxable Wages	\$12,000.00	
	x UI Rate	x .034	
	TOTAL QUARTERLY UI CONTRIBUTIONS DUE	\$ 408.00	(ENTER IN BOX 4A ON COUPON)

HOW TO CALCULATE PAYMENT AMOUNTS - ETT PAYMENT AMOUNTS

ETT contributions must be paid quarterly. However, ETT taxes may be voluntarily prepaid during the quarter with any deposits of SDI and PIT.

(NOTE: IF THE ETT AMOUNT IS LARGER THAN THE SDI AMOUNT, PLEASE RECALCULATE AND VERIFY THAT THE CORRECT PERCENTAGE IS BEING USED.)

HOW TO CALCULATE A ETT PREPAYMENT:

- Example:
- The total UI taxable wages for the pay period are \$5,000.00.
 - The ETT rate for this example is 0.1% (.001). When completing the DE 88ALL, please use your ETT rate or contact EDD's 24-hour automated call system at (916) 653-7795 for rate information.

<u>Calculation:</u>	ETT Taxable Wages	\$ 5,000.00	
	x ETT Rate	x .001	
	ETT PREPAYMENT DUE	\$ 5.00	(ENTER IN BOX 4B ON SAMPLE COUPON #1)

IF ETT PREPAYMENTS HAVE BEEN MADE:

- Example:
- The total ETT taxable wages for the quarter are \$12,000.00.
 - The ETT prepayments made during the quarter were \$5.00.
 - The ETT rate for this example is 0.1% (.001).

Calculation:

Total Quarterly ETT Taxable Wages	\$12,000.00	
x ETT Rate	x .001	
Total Quarterly ETT Contributions Due	\$ 12.00	
- ETT Prepayment	- 5.00	
ETT QUARTERLY PAYMENT DUE	\$ 7.00	(ENTER IN BOX 4B ON SAMPLE COUPON #2)

IF ETT PREPAYMENTS HAVE NOT BEEN MADE:

- Example:
- The total ETT taxable wages for the quarter are \$12,000.00.
 - The ETT rate for this example is 0.1% (.001).

Calculation:

Total Quarterly ETT Taxable Wages	\$12,000.00	
x ETT Rate	x .001	
TOTAL QUARTERLY ETT CONTRIBUTIONS DUE	\$ 12.00	(ENTER IN BOX 4B ON COUPON)

HOW TO CALCULATE PAYMENT AMOUNTS - SDI PAYMENT AMOUNTS

The SDI withholdings must be included whenever a California PIT deposit is required.

HOW TO CALCULATE A SDI DEPOSIT:

- Example:
- The total SDI taxable wages for the pay period are \$5,000.00.
 - The SDI rate for this example is 0.9% (.009). When completing the DE 88ALL, please use your SDI rate or contact EDD's 24-hour automated call system at (916) 653-7795 for rate information.

Calculation:

SDI Taxable Wages	\$5,000.00	
x SDI Rate	x .009	
SDI DEPOSIT DUE	\$ 45.00	(ENTER IN BOX 4C ON SAMPLE COUPON #1)

HOW TO CALCULATE A SDI QUARTERLY PAYMENT:

IF SDI DEPOSITS HAVE BEEN MADE:

- Example:
- The total SDI taxable wages for the quarter are \$13,000.00.
 - SDI deposits made during the quarter were \$45.00.
 - The SDI rate for this example is 0.9% (.009).

Calculation:

Total Quarterly SDI Taxable Wages	\$13,000.00	
x SDI Rate	x .009	
Total Quarterly SDI Due	\$ 117.00	
- SDI Deposited	- 45.00	
QUARTERLY SDI PAYMENT DUE	\$ 72.00	(ENTER IN BOX 4C ON SAMPLE COUPON #2)

IF SDI DEPOSITS HAVE NOT BEEN MADE:

- Example:
- The total SDI taxable wages for the pay period are \$13,000.00.
 - The SDI rate for this example is 0.9% (.009).

Calculation:

Total Quarterly SDI Taxable Wages	\$13,000.00	
x SDI Rate	x .009	
TOTAL QUARTERLY SDI PAYMENT DUE	\$ 117.00	(ENTER IN BOX 4C ON COUPON)

HOW TO CALCULATE PAYMENT AMOUNTS - PIT PAYMENT AMOUNTS

HOW TO CALCULATE A PIT DEPOSIT:

- Example:
- Based on federal deposit requirements, monthly deposits must be made.
 - The total PIT withheld during the pay period was \$600.00.

Calculation: Total PIT Withheld = Total PIT to Deposit \$600.00 (ENTER IN BOX 4D ON SAMPLE COUPON #1)

(Refer to California PIT Tables in the 2003 California Employer's Guide)

HOW TO CALCULATE A PIT QUARTERLY PAYMENT:

IF PIT DEPOSITS HAVE BEEN MADE:

- Example:
- The total PIT withheld during the quarter was \$1,700.00.
 - The total PIT deposited during the quarter was \$1,500.00.

(NOTE: Frequently, if deposits are being made during the quarter, there will not be any PIT withholding included with the Quarterly Payment.)

<u>Calculation:</u>	Total PIT Withheld	\$ 1,700.00	
	– Total PIT Deposited	– 1,500.00	
	PIT QUARTERLY PAYMENT DUE	\$ 200.00	(ENTER IN BOX 4D ON SAMPLE COUPON #2)

IF PIT PREPAYMENTS HAVE NOT BEEN MADE:

- Example:
- Total PIT withheld during the quarter was \$250.00.

<u>Calculation:</u>	Total PIT Withheld	\$250.00	
	– Total PIT Deposited	– 0.00	
	PIT QUARTERLY PAYMENT DUE	\$250.00	(ENTER IN BOX 4D ON COUPON)

HOW TO CALCULATE PAYMENT AMOUNTS - PENALTY AMOUNTS

PENALTY FOR A LATE DEPOSIT

A 10% penalty will be charged on any late deposit. For deposits, the penalty can only be charged on SDI and PIT amounts since depositing these withholdings is required by law. DO NOT include any UI and ETT prepayment amounts when calculating penalty since prepayment of these taxes is voluntary.

- Example:
- The SDI deposit amount is \$45.00.
 - The PIT deposit amount is \$600.00.
 - The penalty for a late deposit is 10% (.10).

<u>Calculation:</u>	SDI Deposit Amount	\$ 45.00	
	+ PIT Deposit Amount	+ 600.00	
	Total Amount Subject to Penalty	\$ 645.00	
	x 10% Penalty	x .10	
	TOTAL PENALTY DUE	\$ 64.50	(ENTER IN BOX 4E ON SAMPLE COUPON #1)

PENALTY FOR A LATE QUARTERLY PAYMENT

A 10% penalty will be charged on any late Quarterly Payment. Penalty will be charged on the UI, ETT, SDI, and PIT amounts for a late Quarterly Payment.

- Example:
- The UI is \$238.00.
 - The ETT is \$7.00.
 - The SDI is \$72.00.
 - The PIT withheld is \$200.00.
 - The penalty for a late quarterly payment is 10% (.10).

<u>Calculation:</u>	UI Taxes	\$	238.00	
	ETT Taxes		7.00	
	SDI Withheld		72.00	
	+ PIT Withheld	+	200.00	
	<u>Total Amount Subject to Penalty</u>	\$	<u>517.00</u>	
	x 10% Penalty	x	.10	
	PENALTY DUE	\$	51.70	(ENTER IN BOX 4E ON SAMPLE COUPON #2)

HOW TO CALCULATE PAYMENT AMOUNTS - INTEREST AMOUNTS


Interest will be charged on any late deposit. For deposits, interest can only be charged on SDI and PIT amounts since depositing these withholdings is required by law. DO NOT include any UI and ETT prepayment amounts when calculating interest since prepayment of these taxes is voluntary. The daily interest factor for January 1, 2003, through June 30, 2003, is .000164*. Beginning July 1, 2003, please call EDD's toll-free telephone number (888) 745-3886 for the daily interest factor.

INTEREST FOR A LATE MONTHLY DEPOSIT

- Example:
- The payroll date was January 31, 2003, and the monthly deposit is considered delinquent on February 19.
 - The monthly deposit was postmarked on February 28, 2003, and is 10 days late.
 - The SDI amount is \$45.00
 - The PIT deposit amount is \$600.00
 - The Daily Interest Factor for a late deposit is 0.164% (.000164).

<u>Calculation:</u>	SDI Deposit Amount	\$	45.00	
	+ PIT Deposit Amount	+	600.00	
	<u>Taxes Due</u>		<u>645.00</u>	
	x 10% Penalty	x	.10	
	<u>Penalty</u>		<u>64.50</u>	
	+ Taxes Due	+	645.00	
	<u>Amount Subject to Interest Calculation</u>	\$	<u>709.50</u>	
	x Daily Interest Factor*	x	.000164	
	<u>Daily Interest</u>		<u>0.116358</u>	
	x Numbers of Days Late	x	10	
	INTEREST DUE	\$	1.16	(ENTER IN BOX 4F ON SAMPLE COUPON #1)

SAMPLE COUPON #1

 Employment Development Department State of California		PAYROLL TAX DEPOSIT DE 88ALL (TYPE OR PRINT IN BLACK INK ONLY):	
1. PAYROLL DATE: MUST BE COMPLETED 0 1 3 1 0 3 (Last PAYROLL DATE covered by deposit)		2. PAYMENT TYPE: (MARK ONE BOX ONLY) NEXT BANKING DAY <input type="checkbox"/> A) SEMI-WEEKLY <input type="checkbox"/> B) MONTHLY <input checked="" type="checkbox"/> C) QUARTERLY <input type="checkbox"/> D)	
STATE OF CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT P.O. BOX 826276 SACRAMENTO, CA 94230-6276		4. PAYMENT AMOUNTS:	
Employer Name SANDRA JONES		Rate Tax	
Employer DBA JONES' FLOWER COMPANY		UI 1 7 0 0 0	
Indicate your Account Number here; Please enter on your check		ETT 5 0 0	
1 2 3 1 2 3 4 5		SDI 4 5 0 0	
3. PAYMENT QUARTER 0 3 1		California PIT 6 0 0 0 0	
EMPLOYMENT DEVELOPMENT DEPT.		Penalty 6 4 5 0	
01880198		Interest 1 1 6	
		G) TOTAL PAID \$ 8 8 5 6 6	
PREPARER'S X SANDRA JONES		PAY THIS AMOUNT TOTAL LINES A THROUGH F. DO NOT FOLD OR STAPLE. Make check payable to EDD.	
TELEPHONE NO. (310) 555-1212		DEPARTMENT USE ONLY	
		DE 88ALL Rev. 14 (3-01)	

HOW TO CALCULATE PAYMENT AMOUNTS - INTEREST AMOUNTS

INTEREST FOR A LATE QUARTERLY PAYMENT

Interest will be changed on the UI, ETT, SDI, and PIT amounts for any late Quarterly Payment.


Example:

- A quarterly payment was due on April 1, 2003, and is considered late on May 1.
- The quarterly payment was due postmarked on May 10, 2002, and is 10 days late.
- The UI is \$238.00.
- The ETT is \$7.00.
- The SDI is \$72.00.
- The PIT withheld is \$200.00.
- The Daily interest factor for a late deposit is 0.164% (.000164).

Calculation:

	UI Quarterly Payment	\$	238.00
	ETT Quarterly Payment		7.00
	SDI Withheld		72.00
	PIT Withheld	+	200.00
+	Taxes Due	\$	517.00
x	10% Penalty	x	.10
	Penalty	\$	51.70
+	Taxes Due	+	517.00
	Amount Subject to Interest Calculation	\$	568.70
x	Daily Interest Factor*	x	.000164
	Daily Interest		0.093267
x	Number of Days Late	x	10
	INTEREST DUE	\$.93 (ENTER IN BOX 4F ON SAMPLE COUPON #2)

SAMPLE COUPON #2

		PAYROLL TAX DEPOSIT DE 88ALL (TYPE OR PRINT IN BLACK INK ONLY):																																				
1. PAYROLL DATE: MUST BE COMPLETED <div style="border: 1px solid black; padding: 2px;">0 3 3 1 0 3</div> <small>(Last PAYROLL DATE covered by deposit)</small>		2. PAYMENT TYPE: (MARK ONE BOX ONLY)																																				
STATE OF CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT P O BOX 826276 SACRAMENTO, CA 94230-6276 Employer Name SANDRA JONES Employer DBA JONES' FLOWER COMPANY		<table border="1"> <thead> <tr> <th>Rate</th> <th>Tax</th> </tr> </thead> <tbody> <tr> <td>A) <input type="checkbox"/> NEXT BANKING DAY</td> <td>UI</td> </tr> <tr> <td>B) <input type="checkbox"/> SEMI-WEEKLY</td> <td>ETT</td> </tr> <tr> <td>C) <input type="checkbox"/> MONTHLY</td> <td>SDI</td> </tr> <tr> <td>D) <input checked="" type="checkbox"/> QUARTERLY</td> <td>California PIT</td> </tr> <tr> <td>E) <input type="checkbox"/></td> <td>Penalty</td> </tr> <tr> <td>F) <input type="checkbox"/></td> <td>Interest</td> </tr> <tr> <td>G) TOTAL PAID</td> <td>\$</td> </tr> </tbody> </table>		Rate	Tax	A) <input type="checkbox"/> NEXT BANKING DAY	UI	B) <input type="checkbox"/> SEMI-WEEKLY	ETT	C) <input type="checkbox"/> MONTHLY	SDI	D) <input checked="" type="checkbox"/> QUARTERLY	California PIT	E) <input type="checkbox"/>	Penalty	F) <input type="checkbox"/>	Interest	G) TOTAL PAID	\$																			
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		DEPARTMENT USE ONLY																																				

WORKSHEET FOR:

TAX

TAXABLE WAGE LIMITS

PAYROLL DATE

PAYMENT QUARTER

UI - First \$ 7000.00 in wages per employee per year
ETT - First \$ 7000.00 in wages per employee per year
SDI - First \$56,916.00 in wages per employee per year

LINE A: UI TAXABLE WAGES	X UI RATE <input type="text"/>	= UI TAXES DUE	-- UI PREPAYMENTS	=
LINE B: ETT TAXABLE WAGES	X ETT RATE <input type="text"/>	= ETT TAXES DUE	-- ETT PREPAYMENTS	=
LINE C: SDI TAXABLE WAGES	X SDI RATE <input type="text"/>	= SDI TAXES DUE	-- SDI DEPOSITS	=
LINE D: CALIFORNIA PERSONAL INCOME TAX WITHHELD			--PIT DEPOSITS	=
LINE E: PENALTY (IF APPLICABLE)	(SUBTOTAL OF LINES A, B, C, & D)	X 10% (.10) PENALTY		=
LINE F: INTEREST (IF APPLICABLE)	(SUBTOTAL OF LINES A, B, C, D, & E)	X (AMOUNT OF DAILY INTEREST)	X (NUMBER OF DAYS LATE)	=
LINE G: TOTAL PAID (TOTAL OF LINES A, B, C, D, E, & F)				=

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WORKSHEET FOR:

PAYROLL
DATE

M	M	D	D	Y	Y
---	---	---	---	---	---

PAYMENT
QUARTER

Y	Y	Q
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LINE C: SDI TAXABLE WAGES	_____	X SDI RATE	<input type="checkbox"/>	= SDI TAXES DUE	_____	-- SDI DEPOSITS	_____	=	_____	
LINE D: CALIFORNIA PERSONAL INCOME TAX WITHHELD					_____	-- PIT DEPOSITS	_____	=	_____	
LINE E: PENALTY (IF APPLICABLE)	(SUBTOTAL OF LINES A, B, C, & D)			X 10% (.10) PENALTY					=	_____
LINE F: INTEREST (IF APPLICABLE)	(SUBTOTAL OF LINES A, B, C, D, & E)			X	_____	X	_____	=	_____	
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LINE G: TOTAL PAID (TOTAL OF LINES A, B, C, D, E, & F)									=	_____

WORKSHEET FOR:

PAYROLL
DATE

M	M	D	D	Y	Y
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PAYMENT
QUARTER

Y	Y	Q
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LINE F: INTEREST (IF APPLICABLE)	(SUBTOTAL OF LINES A, B, C, D, & E)			X	_____	X	_____	=	_____	
				(AMOUNT OF DAILY INTEREST)			(NUMBER OF DAYS LATE)			
LINE G: TOTAL PAID (TOTAL OF LINES A, B, C, D, E, & F)									=	_____

EMPLOYER RECORD OF CALIFORNIA TAX/WITHHOLDING DEPOSITS

PMT NO.	PAYROLL DATE	QTR	UNEMPLOYMENT INSURANCE	EMPLOYMENT TRAINING TAX	STATE DISABILITY INSURANCE	PERSONAL INCOME TAX	TOTAL OF TAXES AND WITHHOLDINGS	PAYMENT DATE
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
TOTAL								

CHANGE OF ADDRESS OR BUSINESS / FINAL REPORT FORM

COMPLETE SECTION BELOW IF THERE IS A CHANGE OF BUSINESS NAME, DISCONTINUANCE OF BUSINESS, OR CHANGE OF MAILING ADDRESS

Your Account Number here

Mail to: Employment Development Department
Account Services Group - MIC 28
P.O. Box 826880
Sacramento, CA 94280-0001

Please correct your address by using the ADDRESS
CHANGE ONLY section and return to EDD.
PLEASE SEE REVERSE SIDE FOR MORE OPTIONS

- ☐ **ADDRESS CHANGE ONLY**
(Please provide new mailing address/telephone number below.)
- ☐ Have discontinued paying wages.
Last wage payment made on ____/____/____ (DATE)
- ☐ My business discontinued without successor: ____/____/____ (DATE)
(Please provide future mailing address below.)

REMINDER: If you have discontinued paying wages or your business has been discontinued without a successor, you have ten (10) days to file your final Report of Wages (DE 6) and Annual Reconciliation of Contributions (DE 7).

(STREET AND NUMBER)

(CITY, STATE, AND ZIP CODE)

()

(TELEPHONE NUMBER)

☐ NEW Federal Employer Identification Number _____

- ☐ **CHANGE OF OWNERSHIP:** Enter exact date ____/____/____ and type of change:
- ☐ Change of business name. ☐ Partnership dissolved. ☐ Partner(s) added. ☐ Partner(s) withdrew.
- ☐ Partial sale only, not out-of-business. ☐ Entire business sold (successor name): _____
- ☐ Corporation formed. ☐ Corporation dissolved. ☐ Other (explain): _____

OWNER'S NAME(S) FOLLOWING CHANGE OF OWNERSHIP	BUSINESS NAME	BUSINESS MAILING ADDRESS

SIGNATURE _____

TITLE _____

PHONE NO. () _____

FOR DEPARTMENT USE ONLY

ENTERED BY: _____ DATE: ____/____/____